

PARAMOUNT TEXTILE LIMITED

FIRST QUARTER FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2016



Paramount Textile Ltd.

Chaklader House (Level -2,5,6 & 7) ,House # 22,
Road #113/A, Gulshan -02,Dhaka-1212
Bangladesh


Paramount Textile Limited
Statement of Financial Position (Unaudited)
As at 30 September, 2016

Particulars	Notes	Amount in Taka	
		30-09-2016	30-06-2016
ASSETS			
Non-current assets			
Property, plant and equipment	3.00	1,813,177,241	1,861,112,247
Capital work in progress		96,628,673	66,364,830
Current assets			
Inventories	4.00	1,330,373,845	1,321,912,266
Trade receivables		961,524,654	1,053,840,427
Advance, deposits & prepayments	5.00	485,568,018	467,768,568
Investments		36,497,818	35,893,384
Cash & bank balances	6.00	15,385,594	12,409,323
Total assets		4,739,155,843	4,819,301,045
EQUITY AND LIABILITIES			
Capital and Reserves			
Ordinary share capital		1,096,410,000	1,096,410,000
Share premium		540,000,000	540,000,000
Retained earnings		568,975,657	520,409,701
Tax holiday reserve		203,617,141	203,617,141
Holding gain reserve		(11,118,045)	(11,730,886)
Deferred tax liabilities	7.00	5,956,973	6,318,307
Non-current liabilities			
Long term loan		253,943,166	242,497,839
Current liabilities			
Trade and other payables	8.00	289,707,412	477,533,596
Liability for expenses		49,710,255	48,352,229
Short term loan	9.00	1,589,877,278	1,538,597,655
Current maturity of long term loan		128,151,798	141,902,765
Income tax provision		23,924,206	15,392,699
Total equity and liabilities		4,739,155,843	4,819,301,045
Net asset value (NAV) per share		21.87	21.42


 (Anita Haque)
 Chairman


 (Shakhawat Hossain)
 Managing Director


 (Alock Kumar Das)
 Director


 (Md. Jahidul Abedin)
 Chief Financial Officer


 (Md. Robiul Islam, ACS)
 Company Secretary

Dhaka, 14 November 2016

Paramount Textile Limited
Statement of Comprehensive Income (Unaudited)
For 1st quarter ended 30th September, 2016


Amount in Taka

Particulars	Note	Amount in Taka	
		01-07-2016 To 30-09-2016	01-07-2015 To 30-09-2015
Revenue	10.00	749,953,565	657,196,275
Cost of sales		(614,880,353)	(535,495,782)
Gross Profit		135,073,212	121,700,493
Administrative expenses		(40,069,161)	(39,118,053)
Distribution costs		(8,022,549)	(7,263,697)
		(48,091,710)	(46,381,750)
Profit from operations		86,981,502	75,318,743
Finance costs		(30,443,640)	(27,019,825)
Other income		6,965	409,867
Exchange gain/ (loss)		191,302	203,564
Profit/(loss) before WPPF & WF		56,736,130	48,912,349
Provision for contribution to WPPF & WF		-	(2,329,159)
Profit before tax		56,736,130	46,583,189
Tax expenses		(8,170,174)	(6,249,892)
Income tax		(8,531,507)	(6,986,569)
Deferred tax benefit/ (expense)		361,334	736,677
Net profit/ (loss) after tax		48,565,956	40,333,297
Unrealized gain / (loss) on investment in shares		612,841	(87,094)
Total comprehensive income		49,178,797	40,246,203
Basic earnings per share (EPS)		0.44	0.37


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Paramount Textile Limited
Statement of Cash Flows (Unaudited)
For the 1st quarter ended 30 September, 2016

Particulars	Amount in Taka	
	01-07-2016 To 30-09-2016	01-07-2015 To 30-09-2015
A) Cash flows from operating activities		
Cash received from operating activities		
Cash received from customer	842,269,338	639,809,076
Cash received from other income	15,373	11,728
	<u>842,284,711</u>	<u>639,820,804</u>
Cash paid for operating activities:		
Cash paid to suppliers	543,423,237	131,806,514
Wages & salaries	106,199,076	101,997,708
Factory overhead	76,350,115	63,866,137
Administrative overhead	40,871,840	41,945,933
Distribution costs	8,022,549	7,263,696
Financial costs	30,443,639	27,019,825
Advance, deposits & pre-payments	2,623,932	3,075,513
Exchange loss/ (gain)	(191,302)	(203,564)
Income tax paid/ advance income tax paid	6,895,570	3,808,531
	<u>814,638,656</u>	<u>380,580,293</u>
Net cash flows from operating activities	<u>27,646,055</u>	<u>259,240,511</u>
B) Cash flows from investing activities		
Payment for commercial space	-	(24,000,000)
Payment of fixed assets purchased	(73,470,882)	(60,303,279)
Net cash increase from investing activities	<u>(73,470,882)</u>	<u>(84,303,279)</u>
C) Cash flows from financing activities		
Other liabilities	(7,000)	(278,053)
Dividend payment	(165,885)	-
Proceeds from bank overdraft	17,458,939	22,472,460
Proceeds from loan against trust receipts (LATR)	66,857,128	(365,517,150)
Proceeds from inland bills purchases (IBP)	(83,312,266)	178,202,893
Proceeds from EDF	-	(76,566,827)
Proceeds from UPAS	50,275,822	69,044,223
Proceed from term loan	(2,305,640)	(103,963)
Net cash flows used in financing activities	<u>48,801,098</u>	<u>(172,746,417)</u>
Net increase in cash and cash equivalents	<u>2,976,271</u>	<u>2,190,815</u>
Cash and cash equivalents, beginning of the period	<u>12,409,323</u>	<u>17,339,117</u>
Cash and cash equivalents, end of the 1st quarter	<u>15,385,594</u>	<u>19,529,932</u>
Net operating cash flows per share (NOCFPS)	0.25	2.36


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Dhaka, 14 November 2016

Paramount Textile Limited
Statement of Changes in Equity (Unaudited)
For the 1st quarter ended 30 September, 2016

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2016	1,096,410,000	540,000,000	520,409,701	203,617,141	(11,730,886)	2,348,705,956
Current period	-	-	48,565,956	-	612,841	49,178,797
Total equity as at 30-09-2016	1,096,410,000	540,000,000	568,975,657	203,617,141	(11,118,045)	2,397,884,753

Paramount Textile Limited
Statement of Changes in Equity (Unaudited)
For the 1st quarter ended 30 September, 2015

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2015	1,096,410,000	540,000,000	494,144,216	203,617,141	(9,666,756)	2,324,504,601
Current period	-	-	40,333,298	-	(87,094)	40,246,204
Total equity as at 30-09-2015	1,096,410,000	540,000,000	534,477,514	203,617,141	(9,753,850)	2,364,750,805


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Dhaka, 14 November 2016

Paramount Textile Limited
Selected Notes to the Financial Statements (Unaudited)
For the 1st quarter ended 30 September, 2016.

1.00 Status and nature of business

The company was incorporated in Bangladesh on June 12, 2006 under the Companies Act 1994. Company's shares are listed with Dhaka and Chittagong stock Exchanges and are placed under "A" category. The principal activities of the company are manufacturing high quality woven fabrics that are consumed by export oriented garments industries in Bangladesh and abroad.

2.01 Basis of preparation

These financial statements have been prepared in accordance with the requirement of Bangladesh Accounting Standards 34 " Interim Financial Reporting" and the requirements of the Securities & Exchange rules 1987.

2.02 Basis of preparation

The same accounting policies and methods of computation have been followed in these condensed interim financial information as were applied in preparation of the financial statements of Paramount Textile Limited as at and for the year ended June 30, 2016.

	Amount in Taka			
	30-09-2016	30-06-2016		
3.00 Property, plant and equipment				
Opening balance of property, plant and equipment	1,861,112,248	1,494,330,203		
Add : Addition during the period	26,316,936	722,091,245		
	1,887,429,184	2,216,421,448		
Less : depreciation charged during the period	74,251,943	355,309,200		
Closing balance of property, plant and equipment	<u>1,813,177,241</u>	<u>1,861,112,248</u>		
4.00 Inventories				
Chemicals	231,204,836	230,725,205		
Finished goods	342,040,195	256,451,379		
Yarn	530,540,267	619,720,087		
Work in process	224,038,868	211,494,952		
Packing & sub material	2,549,679	3,520,643		
	<u>1,330,373,845</u>	<u>1,321,912,266</u>		
5.00 Advance, deposits & prepayments				
Advance against salary	7,249,400	5,338,207		
Advance against suppliers	25,486,113	17,206,166		
Advance income tax payment	6,895,570	-		
Advance for commercial space	418,230,825	418,230,825		
Advance office/house Rent	5,101,335	4,651,335		
Deferred expenses	955,637	955,637		
Imprest fund	440,371	340,300		
L/C margin deposit	5,213,590	5,064,758		
Security deposits for Internet	7,000	7,000		
Security deposits - CDBL	500,000	500,000		
Security deposits for titas gas	14,244,960	14,244,960		
Telephone line deposit	13,000	13,000		
Bank guarantee	1,230,216	1,216,380		
	<u>485,568,018</u>	<u>467,768,568</u>		
6.00 Cash and bank balances				
Cash in hand	5,222,987	4,619,641		
Cash at bank	5,619,526	3,033,383		
Cash at bank (foreign currency)	4,543,082	4,756,299		
	<u>15,385,594</u>	<u>12,409,323</u>		
7.00 Deferred tax (assets) / liability				
Opening balance	6,318,307	7,127,417		
Current period	(361,334)	(809,110)		
	<u>5,956,973</u>	<u>6,318,307</u>		
8.00 Trade and other payables				
Trade payables	259,432,128	440,349,533		
Other payables	30,275,284	37,184,063		
	<u>289,707,412</u>	<u>477,533,596</u>		
9.00 Short term loan				
Loan against trust receipt (LATR)	66,857,128	-		
Inland bill purchases (IBP)	697,420,205	780,732,471		
UPAS	480,207,856	429,932,034		
Bank overdraft	345,392,089	327,933,150		
	<u>1,589,877,278</u>	<u>1,538,597,655</u>		
10.00 Revenue	01-07-2016 To 30-09-2016	01-07-2015 To 30-09-2015		
Yarn dyed fabric	635,355,220	529,896,955		
Knit yarn dyeing	88,713,432	120,941,830		
Sweater yarn dyeing	25,884,913	6,357,490		
	<u>749,953,565</u>	<u>657,196,275</u>		
11.00 Related party disclosures				
During the period ended September 30, 2016 the company entered into a number of transactions with related party in the normal course of business. All these transaction takes place in an arm length basis. Name of the related party, nature of these transactions and amount thereof been set out below in accordance with the provisions of BAS 24: Related party disclosure.				
Name of related parties	Nature of transaction	Transaction during the period	Balance/ outstanding as on September 30, 2016	Balance/ outstanding as on June 30, 2016
Paramount Insurance Co. Ltd.	Insurance	4,074,858	(703,593)	145,021
Paramount Insurance Co. Ltd.	Investment	-	10,889,669	10,889,669
12.00 Workers profit participation fund & welfare funds (WPPF & WF)				
The company has not made any provision from during the period against WPPF & WF in accordance with the Bangladesh Labour Act, 2006 (Amendment 2013) & rule 214 of the Bangladesh Labour rule, 2015.				